

ORIGINAL



September 17, 2003

Arizona Corporation Commission
DOCKETED

RECEIVED

Mr. Marc Spitzer, Chairman
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona

OCT 20 2003

2003 OCT 20 A 11: 07

Subject: Brooke Utilities/Pine Water Company
Pricing Practice

DOCKETED BY	<i>CMC</i>
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AZ CORP COMMISSION
DOCUMENT CONTROL

W-03512A-03-0279

Dear Chairman Spitzer,

I am writing to you as a concerned Pine, Arizona resident and for many other Pine residents. The recent gasoline shortage and price gouging can't hold a candle to the hi way robbery tactics Brooke Utilities is using on Pine residents. It is the worst case of price gouging we have ever seen. Being that Brooke has no competition it seems they are charging what ever they feel like.

With the commissions approval Decision No. 69514, Brooke is allowed to charge each Pine water customer an augmentation fee. What exactly is this fee for? Our understanding is it is supposed to be for hauling additional water supply to Pine. So far no one has observed water being transported to Pine. Where does Brooke get supplemental water? Is this water safe to drink? Previously water hauled to Pine was not drinking water. If Brooke's is hauling water is this water tested, or is this water a great health hazard to Pine residents? Never the less, Brooke is charging each customer an outrages augmentation fee. In most cases the augmentation fee is greater than the normal water charge. Even this so called augmentation fee is not consistent with each customer. Many residents are experiencing water bills over \$145.00 a month, even though they have been conserving water. (Bill copies enclosed) Water usage has been at stage 5 most of the year. That means not flushing your toilet unless absolutely necessary, not bathing every day, taking laundry to the Valley to do, letting vegetation die creating a fire hazard. Is this America or Iraq? If Brooke can not supply enough water to their existing customers why are they being allowed to set new water meters? Most Pine residents are part time residents, what would happen if we all lived here full time? What would Brooke do then?

Each new housing development in Pine has been drilling their own wells, so obviously lack of a water source can not be the problem. The problem is Brooke apparently does not have enough capital for water storage facilities or drilling new wells. How much water can Brooke store, how many wells do they have and where are the facilities? No one seems to know the answer to that question either and Brooke will not answer these questions. As a Utility Company, it should be Brooke's responsibility to supply it's customers with an adequate supply of water at

a fair price. It seems though that Brooke wants the residents of Pine to furnish their operating capital.

We have been informed that Brooke has a hearing scheduled with the commission on December 15, to finalize plans for a 41% rate increase for Pine customers. In addition they are asking to obtain a loan of \$178,000.00, for long term indebtedness. How can Brooke justify a rate increase of 41%? Does Brooke intend to use the \$178,000.00 to look for a new water source? Brooke How can the commission justify leaving Brooke in business and why did the commission give Brooke permission to charge extreme augmentation fees? Has the commission even been aware of the fee amounts Brooke is charging? Was a fee limit set or was Brooke given free rein to set their own fee schedule? How do we know if Brooke is hauling water and how much it is costing Brooke to haul water. It seems this information should be included in the billing. No one minds paying if there is progress being made, however in the eight years I have owned property in Pine I have seen no change in the water situation, only higher prices and less and less water.

Residents of Pine feel the December 15, 2003 hearing should be held in Pine not in Phoenix. This would give more residents an opportunity to attend and voice their opinions as to why Brooke is asking for a 41% price increase and Brooke is not exploring for a new water source.

The water situation in Pine is a serious matter, not just a passing happening as in the past. Growth cannot continue unless there is water available to all.

Your immediate response to this letter would be greatly appreciated.

Sincerely,



Harlean Miku & Paul Miku, President

Hidden Pines Homeowners Association

1060 E. Second Place

P O Box 1588

Mesa, Arizona 85203

Pine, Arizona 85544

480-969-4133

928-4764614

harlow@cableaz.com

harlow@cybertrails.com

PINE WATER CO INC PO BOX 9005

Bill Date: 8/13/03

Account #: 9005318-2

24-Hour Phone: (800) 270-6084

Customer: PAUL MIKU

Service at: HP L5

RATE SCHEDULE 14B PINE WATER - WILLIAMSON

Previous
Statement

PREVIOUS BILLING - 7/14/03 33.98
 PAYMENT RECEIVED - 7/22/03 THANK YOU 33.98-
 PREVIOUS BALANCE .00

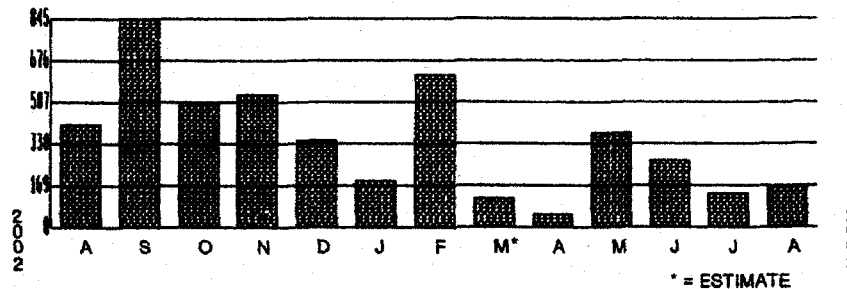
Current
Statement

SERVICE PERIOD - 7/09 to 8/11 -33 days
 NEXT SCHEDULED READ DATE - 9/09/03
 WATER USAGE (1,660 GAL @ .00350) 5.81
 MINIMUM CHARGE (5/8" X 3/4" M) 20.35
 WATER AUGMENTATION SCHG 11.89
 OTHER CHARGES (SEE DETAIL BELOW) 1.74

CURRENT BALANCE DUE BY 8/28/03 39.79

TOTAL AMOUNT DUE 39.79

METER NUMBER	READINGS PREVIOUS	READINGS CURRENT	CURRENT USAGE GAL Avg/Day	USAGE LAST YEAR GAL Avg/Day
40587668	122790	124450	1,660 50	4,170 143

Usage
HistoryOther
Charges

USAGE TAX (1,660 @ .00650) .01
 SALES TAX (GILA CO.) (26.16 @ .06600) 1.73
 TOTAL OTHER CHARGES 1.74

Messages



E-MAIL US AT CUSTOMERSERVICE@SCWATER.COM

OR CALL US AT 800-270-6084

OUR CUSTOMER SERVICE HOURS ARE:

9:00 AM TO 3:00 PM MONDAY THROUGH FRIDAY

PER ACC DECISION 65914 A WATER HAULING SURCHARGE OF 8.454/
 1000 GAL HAS BEEN ADDED TO THIS BILLING, FOR JULY'S USAGE.

ARIZONA CORPORATION COMMISSION

1200 W WASHINGTON, PHOENIX AZ 85007 (800) 222-7000

PINE WATER CO INC PO BOX 9005

Customer: BARBARA WEST
Service at: HP L28

Bill Date: 8/13/03
Account #: 9011087-5
24-Hour Phone : (800) 270-6084

RATE SCHEDULE 14B PINE WATER - WILLIAMSON

Previous Statement



PREVIOUS BILLING - 7/14/03 70.35
PAYMENT RECEIVED - 8/07/03 THANK YOU 70.35-
PREVIOUS BALANCE .00

Current Statement



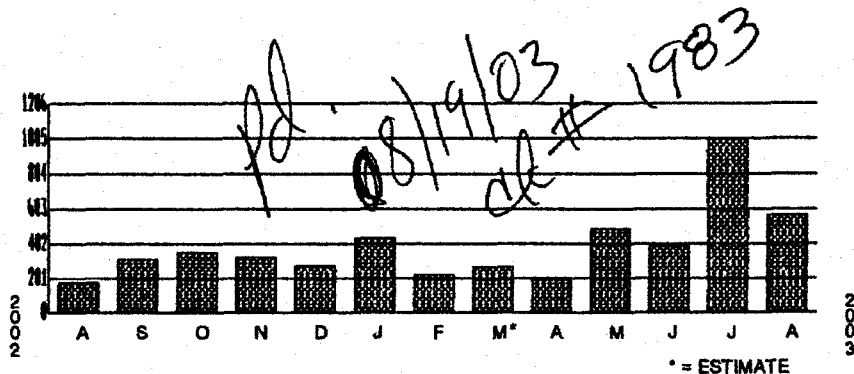
SERVICE PERIOD - 7/09 to 8/11 -33 days
NEXT SCHEDULED READ DATE - 9/09/03
WATER USAGE (5,680 GAL @ .00350) 19.88
MINIMUM CHARGE (5/8" X 3/4" M) 20.35
WATER AUGMENTATION SCHG 86.05
OTHER CHARGES (SEE DETAIL BELOW) 2.70

CURRENT BALANCE DUE BY 8/28/03 128.98

TOTAL AMOUNT DUE 128.98

METER NUMBER	READINGS PREVIOUS	READINGS CURRENT	CURRENT USAGE GAL Avg/Day	USAGE LAST YEAR GAL Avg/Day
39485505	457900	463580	5,680 172	1,780 61

Usage History



Other Charges



USAGE TAX (5,680 @ .00650) .04
SALES TAX (GILA CO.) (40.23 @ .06600) 2.66
TOTAL OTHER CHARGES 2.70

Messages



E-MAIL US AT CUSTOMERSERVICE@SCWATER.COM
OR CALL US AT 800-270-6084
OUR CUSTOMER SERVICE HOURS ARE:
9:00 AM TO 3:00 PM MONDAY THROUGH FRIDAY
PER ACC DECISION 65914 A WATER HAULING SURCHARGE OF 8.454/
1000 GAL HAS BEEN ADDED TO THIS BILLING, FOR JULY'S USAGE.

ARIZONA CORPORATION COMMISSION
1200 W WASHINGTON, PHOENIX AZ 85007 (800) 222-7000

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Bring entire bill when making payment in office

PINE WATER CO INC PO BOX 9005

Customer: PAUL HEIDENREICH
Service at: HP L26

Bill Date: 8/13/03
Account #: 9015440-2
24-Hour Phone: (800) 270-6084

RATE SCHEDULE 14B PINE WATER - WILLIAMSON

Previous
Statement



PREVIOUS BILLING - 7/14/03 79.71
PAYMENT RECEIVED - 7/29/03 THANK YOU 79.71-
PREVIOUS BALANCE .00

Current
Statement



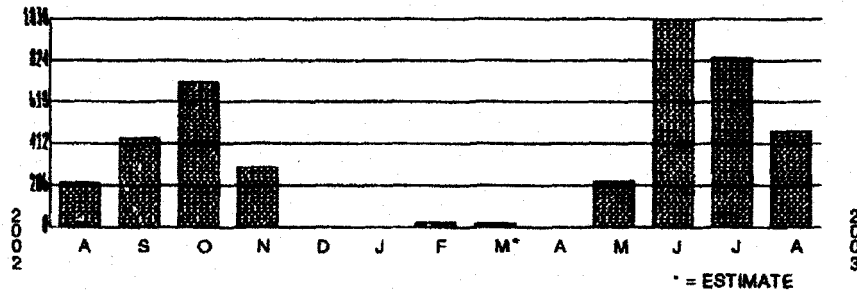
SERVICE PERIOD - 7/09 to 8/11 -33 days
NEXT SCHEDULED READ DATE - 9/09/03
WATER USAGE (4,720 GAL @ .00350) 16.52
MINIMUM CHARGE (5/8" X 3/4" M) 20.35
WATER AUGMENTATION SCHG 71.50
OTHER CHARGES (SEE DETAIL BELOW) 2.46

AMOUNT TO BE DEBITED ON 8/28/03 110.83

TOTAL AMOUNT DUE 110.83

METER NUMBER	READINGS PREVIOUS	READINGS CURRENT	CURRENT USAGE GAL Avg/Day	USAGE LAST YEAR GAL Avg/Day
53382618	242140	246860	4,720 143	2,180 75

Usage
History



Other
Charges



USAGE TAX (4,720 @ .00650) .03
SALES TAX (GILA CO.) (36.87 @ .06600) 2.43
TOTAL OTHER CHARGES 2.46

Messages



E-MAIL US AT CUSTOMERSERVICE@SCWATER.COM
OR CALL US AT 800-270-6084
OUR CUSTOMER SERVICE HOURS ARE:
9:00 AM TO 3:00 PM MONDAY THROUGH FRIDAY
PER ACC DECISION 65914 A WATER HAULING SURCHARGE OF 8.454/
1000 GAL HAS BEEN ADDED TO THIS BILLING, FOR JULY'S USAGE.

ARIZONA CORPORATION COMMISSION
1200 W WASHINGTON, PHOENIX AZ 85007 (800) 222-7000

THE TOTAL DUE SHOWN WILL BE TRANSFERRED FROM YOUR ACCOUNT.

PINE WATER CO INC PO BOX 9005

Customer: LORRAINE STOCKS
Service at: HP L44

Bill Date: 8/13/03

Account #: 9005334-9

24-Hour Phone: (800) 270-6084

RATE SCHEDULE 14B PINE WATER - WILLIAMSON

Previous
Statement

PREVIOUS BILLING - 7/14/03 44.11
PAYMENT RECEIVED - 7/24/03 THANK YOU 44.11-
PREVIOUS BALANCE .00

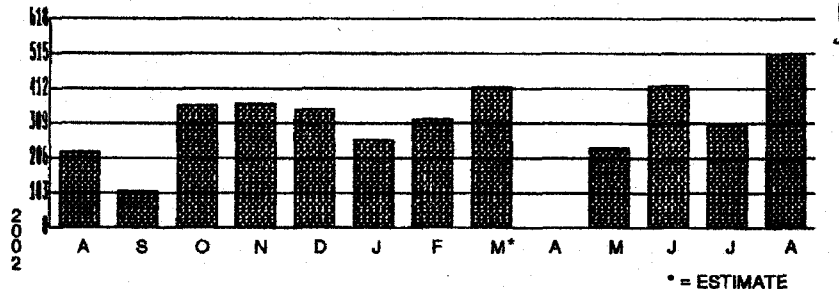
Current
Statement

SERVICE PERIOD - 7/09 to 8/11 -33 days
NEXT SCHEDULED READ DATE - 9/09/03
WATER USAGE (5,160 GAL @ .00350) 18.06
MINIMUM CHARGE (5/8" X 3/4" M) 20.35
WATER AUGMENTATION SCHG 26.26
OTHER CHARGES (SEE DETAIL BELOW) 2.57

CURRENT BALANCE DUE BY 8/28/03 67.24

TOTAL AMOUNT DUE 67.24

METER NUMBER	READINGS PREVIOUS	CURRENT	CURRENT USAGE GAL Avg/Day	USAGE LAST YEAR GAL Avg/Day
40795279	373010	378170	5,160 156	2,250 77

Usage
HistoryOther
Charges

USAGE TAX (5,160 @ .00650) .03
SALES TAX (GILA CO.) (38.41 @ .06600) 2.54
TOTAL OTHER CHARGES 2.57

Messages



E-MAIL US AT CUSTOMERSERVICE@SCWATER.COM

OR CALL US AT 800-270-6084

OUR CUSTOMER SERVICE HOURS ARE:

9:00 AM TO 3:00 PM MONDAY THROUGH FRIDAY

PER ACC DECISION 65914 A WATER HAULING SURCHARGE OF 8.454/
1000 GAL HAS BEEN ADDED TO THIS BILLING, FOR JULY'S USAGE.

ARIZONA CORPORATION COMMISSION

1200 W WASHINGTON, PHOENIX AZ 85007 (800) 222-7000

328

Bring entire bill when making payment in office

PINE WATER CO INC PO BOX 9005

Customer: ROGER TOTTEN
Service at: HP L40

Bill Date: 8/13/03
Account #: 9011285-5
24-Hour Phone (800) 270-6084

RATE SCHEDULE 14B PINE WATER - WILLIAMSON

Previous
Statement

PREVIOUS BILLING - 7/14/03 104.54
PAYMENT RECEIVED - 7/23/03 THANK YOU 104.54-
PREVIOUS BALANCE .00

Current
Statement

SERVICE PERIOD - 7/09 to 8/11 -33 days
NEXT SCHEDULED READ DATE - 9/09/03
WATER USAGE (8,670 GAL @ .00350) 30.35
MINIMUM CHARGE (3/4" X 3/4" M) 30.53
WATER AUGMENTATION SCHG 80.40
OTHER CHARGES (SEE DETAIL BELOW) 4.08

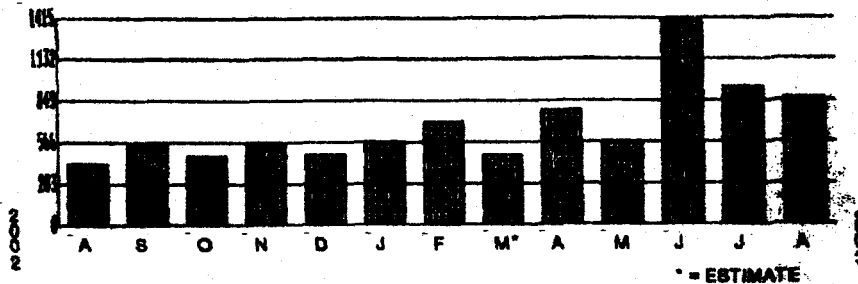
CURRENT BALANCE DUE BY 8/28/03

145.36

TOTAL AMOUNT DUE

145.36

METER NUMBER	READINGS PREVIOUS	READINGS CURRENT	CURRENT USAGE GAL Avg/Day	USAGE LAST YEAR GAL Avg/Day
55507645	193190	201860	8,670 262	4,230 145

Usage
HistoryOther
Charges

USAGE TAX (8,670 @ .00650) .06
SALES TAX (GILA CO.) (60.88 @ .06600) 4.02
TOTAL OTHER CHARGES 4.08

Messages



E-MAIL US AT CUSTOMERSERVICE@SCWATER.COM
OR CALL US AT 800-270-6084
OUR CUSTOMER SERVICE HOURS ARE:
9:00 AM TO 3:00 PM MONDAY THROUGH FRIDAY
PER ACC DECISION 65914 A WATER HAULING SURCHARGE OF \$454/
1000 GAL HAS BEEN ADDED TO THIS BILLING, FOR

PINE WATER CO INC PO BOX 9005

Customer: ROGER TOTTEN
Service at: HP L40

Bill Date: 8/13/03
Account #: 9011285-5
24-Hour Phone (800) 270-6084

RATE SCHEDULE 14B PINE WATER - WILLIAMSON

Previous
Statement

PREVIOUS BILLING - 7/14/03 104.54
PAYMENT RECEIVED - 7/23/03 THANK YOU 104.54-
PREVIOUS BALANCE .00

Current
Statement

SERVICE PERIOD - 7/09 to 8/11 -33 days
NEXT SCHEDULED READ DATE - 9/09/03
WATER USAGE (8,670 GAL @ .00350) 30.35
MINIMUM CHARGE (3/4" X 3/4" M) 30.33
WATER AUGMENTATION SCHG 80.40
OTHER CHARGES (SEE DETAIL BELOW) 4.08

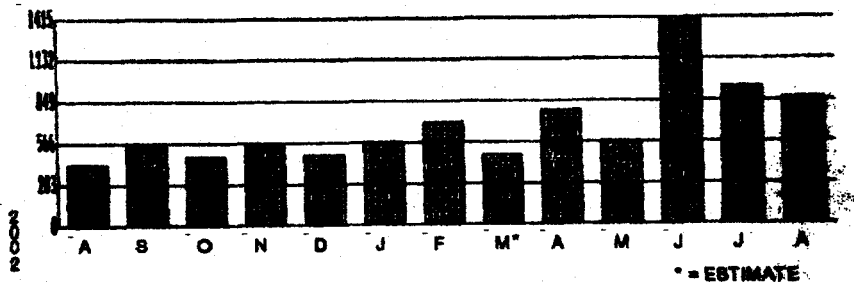
CURRENT BALANCE DUE BY 8/28/03

145.36

TOTAL AMOUNT DUE

145.36

METER NUMBER	READINGS PREVIOUS	READINGS CURRENT	CURRENT USAGE GAL Avg/Day	USAGE LAST YEAR GAL Avg/Day
55507645	193190	201860	8,670	262
			4,230	145

Usage
HistoryOther
Charges

USAGE TAX (8,670 @ .00650) .06
SALES TAX (GILA CO.) (60.88 @ .06600) 4.02
TOTAL OTHER CHARGES 4.08

Messages



E-MAIL US AT CUSTOMERSERVICE@SCWATER.COM
OR CALL US AT 800-270-6084
OUR CUSTOMER SERVICE HOURS ARE:
9:00 AM TO 3:00 PM MONDAY THROUGH FRIDAY
PER ACC DECISION 65914 A WATER HAULING SURCHARGE OF 8.454/
1000 GAL HAS BEEN ADDED TO THIS BILLING.

PINE WATER CO INC PO BOX 9005

Customer: EDWIN WELGE
Service at: SOL P L88

RATE SCHEDULE 14A PINE WATER - E&R SYSTEM

Bill Date: 8/18/03

Account #: 9013431-3

24-Hour Phone (800) 270-6084

pd. 8-26-03

Previous
Statement

PREVIOUS BILLING - 7/14/03 182.65
 PAYMENT RECEIVED - 7/21/03 THANK YOU 182.65-
 PREVIOUS BALANCE .00

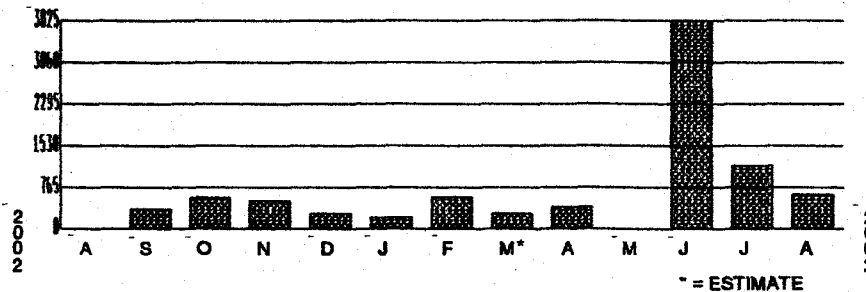
Current
Statement

SERVICE PERIOD - 7/10 to 8/13 -34 days
 NEXT SCHEDULED READ DATE - 9/12/03
 WATER USAGE (4,000 GAL @ .00340) 13.60
 (2,390 GAL @ .00595) 14.22
 MINIMUM CHARGE (5/8" X 3/4" M) 18.45
 WATER AUGMENTATION SCHG 99.99
 OTHER CHARGES (SEE DETAIL BELOW) 3.09

CURRENT BALANCE DUE BY 9/02/03 149.35

TOTAL AMOUNT DUE 149.35

METER NUMBER	READINGS PREVIOUS	READINGS CURRENT	CURRENT USAGE GAL Avg/Day	USAGE LAST YEAR GAL Avg/Day
8922364	646700	653090	6,390 187	3,850 124

Usage
HistoryOther
Charges

USAGE TAX (6,390 @ .00650) .04
 SALES TAX (GILA CO.) (46.27 @ .06600) 3.05
 TOTAL OTHER CHARGES 3.09

Messages



E-MAIL US AT CUSTOMERSERVICE@SCWATER.COM
 OR CALL US AT 800-270-6084
 OUR CUSTOMER SERVICE HOURS ARE:
 9:00 AM TO 3:00 PM MONDAY THROUGH FRIDAY
 PER ACC DECISION 65914 A WATER HAULING SURCHARGE OF 8.454/
 1000 GAL HAS BEEN ADDED TO THIS BILLING, FOR JULY'S USAGE.

ARIZONA CORPORATION COMMISSION
 1200 W WASHINGTON, PHOENIX AZ 85007 (800) 222-7000

PINE WATER CO INC PO BOX 9005

Customer: DALE A OESTMANN

Service at: WO GL2 L35

Bill Date: 8/18/03

Account #: 9004663-2

24-Hour Phone (800) 270-6084

RATE SCHEDULE 14A PINE WATER - E&R SYSTEM

Previous
Statement

PREVIOUS BILLING - 7/22/03

51.03

PAYMENT RECEIVED - 8/08/03 THANK YOU

51.03-

PREVIOUS BALANCE

.00

CLOSE DATE - 7/14/03

Current
Statement

WATER AUGMENTATION SCHG

WATER AUGMENTATION SCHG

31.82

1.54

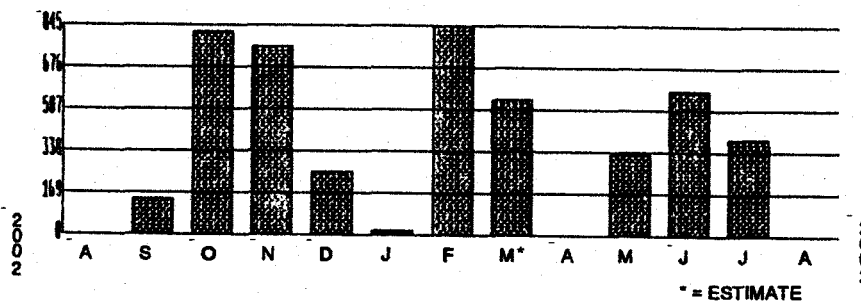
CURRENT BALANCE DUE BY 9/02/03

33.36

TOTAL AMOUNT DUE

33.36

METER	READINGS		CURRENT USAGE	USAGE LAST YEAR
NUMBER	PREVIOUS	CURRENT	GAL Avg/Day	GAL Avg/Day
38761150	453580			3,620 120

Usage
HistoryOther
Charges

Messages



E-MAIL US AT CUSTOMERSERVICE@SCWATER.COM

OR CALL US AT 800-270-6084

OUR CUSTOMER SERVICE HOURS ARE:

9:00 AM TO 3:00 PM MONDAY THROUGH FRIDAY

PER ACC DECISION 65914 A WATER HAULING SURCHARGE OF 8.454/
1000 GAL HAS BEEN ADDED TO THIS BILLING, FOR JULY'S USAGE.

PINE WATER CO INC PO BOX 9005

Customer: ENRIQUE ESCALANTE
 Service at: CPE L16

Bill Date: 8/13/03

Account #: 9003372-1

24-Hour Phone: (800) 270-6084

RATE SCHEDULE 14A PINE WATER - E&R SYSTEM

Previous Statement



PREVIOUS BILLING - 7/11/03 29.72
 PAYMENT RECEIVED - 7/28/03 THANK YOU 29.72-
 PREVIOUS BALANCE .00

Current Statement



SERVICE PERIOD - 7/07 to 8/08 -32 days
 NEXT SCHEDULED READ DATE - 9/05/03
 WATER USAGE (10 GAL @ .00340) .03
 MINIMUM CHARGE (5/8" X 3/4" M) 18.45
 WATER AUGMENTATION SCHG 22.84
 OTHER CHARGES (SEE DETAIL BELOW) 1.22

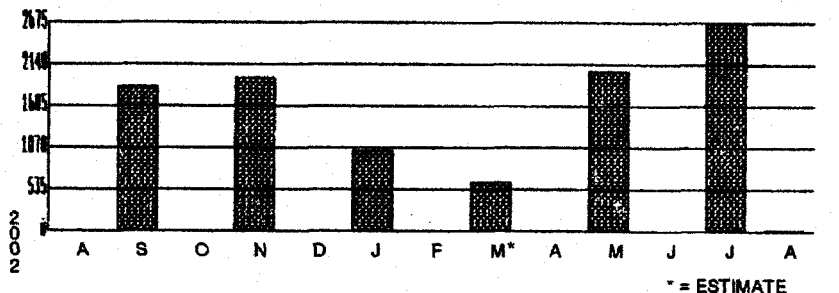
CURRENT BALANCE DUE BY 9/26/03 42.54

TOTAL AMOUNT DUE

42.54

METER NUMBER	PREVIOUS READINGS	CURRENT READINGS	CURRENT USAGE GAL Avg/Day	USAGE LAST YEAR GAL Avg/Day
100994	314550	314560	10	4,070 145

Usage History



Other Charges



SALES TAX (GILA CO.) (18.48 @ .06600) 1.22
 TOTAL OTHER CHARGES 1.22

Messages



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PER ACC DECISION 65914 A WATER HAULING SURCHARGE OF 8.454/
 1000 GAL HAS BEEN ADDED TO THIS BILLING, FOR JULY'S USAGE.

ARIZONA CORPORATION COMMISSION

1200 W WASHINGTON, PHOENIX AZ 85007 (800) 222-7000



P.O. Box 1878
Mesa AZ 85211-1878

480-644-2221 Telephone
1-866-406-9659 Toll Free

UTILITY BILL FOR
SEPTEMBER 2003

IMPORTANT! IF PAYING IN PERSON, BRING ENTIRE BILL.

A-03418

ACCOUNT NUMBER

99976330

NAME MIKU, PAUL JR

SERVICE ADDRESS 1060 E 2ND PL

INCLUDED IN YOUR BILL ARE:

GAS CHARGE ON G1.1 RATE FOR METER NUMBER 020410
CURRENT READING 2266 ON 09/09
PRIOR READING 2260
DIFFERENCE OF 6 X MULT OF 1.000 = 6 CCF 14.12

WATER CHARGE ON W1.1 RATE FOR METER NUMBER 171688
CURRENT READING 741 ON 09/09
PRIOR READING 733
DIFFERENCE OF 8 X MULT OF 1000 = 8,000 GAL 24.77

SOLID WASTE CHARGE ON R1.2 RATE 18.64
WASTEWATER CHARGE ON S1.1 RATE 10.46
STATE SUPERFUND WATER USE CHARGE .05
SUB-TOTAL 68.04

CARRY FORWARD AMOUNT 72.45
08/21 PAYMENT 72.45

** UTILITY AMOUNT DUE 68.04

TOTAL TAXES INCLUDED: 2.81

PERIOD COVERED: 08/14/03 TO 09/11/03 DAYS IN BILLING PERIOD: 29
DUE DATE: 09/26/03 CURRENT: 68.04 PAST DUE: .00

"ABC" DONATION LAST MO. .00 YEAR 2003 1.00

For comparison 8,000 gallons water,
plus gas, solid waste, trash pick
up etc.

YOUR BILL CONTAINS A VOLUNTARY \$1 TAX DEDUCTIBLE DONATION TO THE "ABC" (A BETTER COMMUNITY) PROGRAM. YOUR DONATION HELPS NEEDY MESA RESIDENTS. IF YOU DO NOT WISH TO CONTRIBUTE, SIMPLY PAY THE UTILITY AMOUNT DUE.

AVERAGE DAILY USAGE - ELECTRICITY			AVERAGE DAILY USAGE - GAS			AVERAGE DAILY USAGE - WATER		
			.21	.20	.17	.28	.33	.17
CUR. MO.	LAST MO.	LAST YEAR	CUR. MO.	LAST MO.	LAST YEAR	CUR. MO.	LAST MO.	LAST YEAR



99976330

DETACH HERE AND RETURN WITH REMITTANCE

CURRENT BILLING
DUE ON
PRESENTATION
AND
PAST-DUE AFTER

09/26/03

UTILITY AMOUNT DUE

\$ 68.04

VOLUNTARY
"ABC"
DONATION 1.00

UTILITY AMOUNT
+ VOLUNTARY
DONATION \$ 69.04

PAUL MIKU JR
1060 E 2ND PL
MESA AZ 85203-8012

999763300000068040000010047

